1993

The Japanese Challenge

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Orbis

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To the Editor:

When I wrote what *Orbis* entitled "Target Japan as America's Economic Foe," I recognized that my suggestions for change in U.S. policy would be controversial. One of my purposes was to help stimulate a debate on the future of U.S.-Japanese relations, which I believe to be essential for that relationship to remain healthy. I certainly expected to receive criticism from some quarters. However, I expected the criticism to focus on what I said. In addition, I expected critics either to strongly defend existing U.S. policy or to pose alternatives they deem superior to my proposals Instead, the critiques by Edward Hudgins and Robert Elegant were filled with attacks on what I did not say or on what I explicitly disavowed. Their critiques — which may have been led astray by the editorial substitution of the word "foe" for "challenge" in the title after the page proof stage — represent a gross misrepresentation of my analysis and proposals. In fact, I have seldom seen so many strawmen assembled in so few pages.

The thrust of my piece was that the economic challenge posed by the rivalry between the United States and Japan is an excellent focal point for American foreign policy as it adjusts to post–cold war structural changes in the global world economic order and for domestic policy as the U.S. economy adjusts to global competition at home. Japan is the "target" partially because its economic challenge helped to precipitate the post–cold war restructuring and partially because it is in the lead of the East Asian portion of what is, of course, a global challenge.

Space does not permit a line-by-line rebuttal to the two critiques, but I shall respond to the major points each makes. First, let me say that I agree with Hudgins (and my article makes this clear) that "Japan's prosperity is not a danger." In fact, I emphasized that Japan is not a "threat" or an "enemy" in the common usage of either word. This is why the unsolicited use of the word "foe" in the title is regrettable. Hudgins attacks me for treating Japan as an enemy and his critique repeatedly uses the words "danger" and "threat," whereas my analysis makes an explicit point that the United States faces a "challenge" from an economic rival and disavows the stronger words that so easily exacerbate overall bilateral relations. There is a profound difference between these two levels of analysis, which I accept and incorporate in my article. Yet, Hudgins repeatedly blurs these distinctions and criticizes me for treating Japan like an enemy in a neo–cold war zero-sum situation. He used the "zero-sum" attack twice in his critique. In fact, I did no such thing and emphasized that the rivalry

between the United States and Japan as economic adversaries is "not a zero-sum contest." In short, both can win — and probably will — if Americans cope adequately with the seriousness of the challenge in a "non-hostile fashion."

The reason that strawman was raised may have been made clear in Hudgins's critique of my analysis of economic factors and appropriate bureaucratic responses. He evidently is a free market dogmatist, which I am not. I think most successful economies can, and should, accept a limited government role in assisting private sector activities. Certainly, Japan and Asia's "new Japans" do not base their versions of capitalism on the sort of dogmatic free market values Hudgins represents. My article is supportive of an industrial policy–style governmental role in sustaining private sector competitiveness. On this point Hudgins and I differ in ways that reflect the larger national debate in the United States over how best to respond to Japan's challenge. However, Hudgins then describes my suggestions for a national economic security policy as "fascism with a friendly face." If this is true, then George Bush, Bill Clinton, and Ross Perot also must be "friendly faced fascists," because they have mentioned comparable approaches. Hudgins hedges his critique by noting that "Olsen does not hold such a view explicitly," but then says my approach "amounts to a dictatorship of technocrats, a modern equivalent of Mussolini's Fascist Grand Council." Let me correct all this by noting that I hold no such "fascist" views explicitly or implicitly and the strawmen Hudgins criticizes are figments of his imagination.

Moving on to the security relationships, Hudgins skewers me and other critics of Japan for "overlook[ing] the extent to which Washington has sought to restrict Japanese military activities since the end of World War II." I cannot speak for other critics of Japan, but I certainly have not overlooked it. In fact, I stressed it in my analysis and have done so elsewhere. Ironically, Hudgins resorts to a quote from the movie godfather, Don Corleone — "Keep your friends close, but your enemies closer" — to suggest that existing American strategic constraints on Japan are in U.S. interests. Well, they may be if one considers Japan an enemy. Evidently Hudgins does think of Japan in that light but — as my article goes to great pains to clear — I do not treat Japan as an enemy. It is an economic rival that challenges crucial U.S. interests in the post–cold war era in ways that require a fundamental reappraisal of U.S. policies regarding Japan. The distinction between an enemy, as Hudgins uses the term, and my use of "challenger" is more than semantic. It is a critical nuance in my analysis that Hudgins for some reason refused to accept at face value.

Hudgins correctly points to a need for "analysis of American and Japanese regional interests in Asia." It was not presented in my article because that was not its topic. I have done so previously and in forthcoming analyses elsewhere. More important, other American, Japanese, and other Asian analysts are reassessing this regional issue in the context of post–cold war circumstances. So far most of them have made assumptions about the inherent soundness of existing U.S.-Japanese relationships as the foundation for future regional security assessments. The main reason I wrote the article was to raise necessary questions about the wisdom of Americans retaining the relationship as it now exists. I

also wanted to explore some new approaches to the relationship that could make it far healthier for both sides in the long run, and to help to recreate the foundations of Asia-Pacific regional security on a far more durable footing. If that is done, the United States and Japan should be in much better positions to address their respective security interests.

Moving on to Elegant's critique, I at first thought I was going to be praised — witness the use of "incisive," "stimulating," "ingenious," and "brilliant," in the first two paragraphs of his comments. Alas, this did not last. Therefore, let me address the major specific criticisms raised by Elegant. He says I "discount the need for conventional military forces." No I don't; not in the article or elsewhere. They continue to play an important and valid role in the region. This is as true of Asian forces as it is of U.S. forces. If I thought otherwise, it would be hypocritical of me to teach what I do where I do. My point was, and is, that there is a relative shift occurring toward economic factors in calculating national power and the United States should incorporate that shift more thoroughly into its national policies.

Elegant suggests my proposals "would virtually declare a state of hostility between the United States and Japan" and refers to "an open declaration of American hostility." In fact, I explicitly say exactly the opposite. In this regard Elegant (like Hudgins) either misunderstood my points or refuses to accept their nuances. Similarly, he speculates about the creation of a power vacuum and suggests that I encourage Japan to extend its power. First, I do not share his concern about the much vaunted potential power vacuum in Asia should the United States alter the ways it maintains a military presence in the Pacific. Asians can maintain a viable balance of power in their region that would accommodate to several variations of a U.S. military presence. Secondly, I do not fear the prospect that Japan will engage in irrational self-destructive behavior militarily. In fact, judging from their negative comments about Japanese potentials, it seems that I trust the Japanese in this regard more than either Elegant or Hudgins do.

Elegant further suggests that my proposals would lead to "a state of virtual economic war between" the United States and Japan. That is his view, not mine. I think Japan's economic challenge to the United States can be the foreign focal point for a restructured U.S. competitiveness campaign without becoming a surrogate for war to an American nation grown all too accustomed to being governed by a national security state. When I refer to a "war-surrogate" in the article, it is clear that I am dealing with a substitute situation. I should note, however, that there are many prominent American business critics of Japan who would respond to Elegant's suggestion about a future economic war by asserting that we have been in one for years but only Japan is actively pursuing an effective strategy. I do sympathize with these critics' sense of urgency about developing an American economic strategy capable of dealing with the pressing challenges the United States faces, but that does not equate to the heated views ascribed to me by Elegant.

Elegant then moves on to attack a number of other strawmen. I am accused of wanting to make Japan "Public Enemy Number One," "The single

enemy on whom all misfortunes can be blamed," a "mortal threat," and "a Japanese Lucifer." All I can say is that, as a journalist, Elegant has a vivid imagination and a flare for the creative phrase. In fact, my point was to treat Japan as a serious economic challenger whose rivalry with the United States is of national importance to Americans. My article pointedly states the United States has no "need for a demon to sustain a national security state" and that "Americans must be careful not to demonize Japan." Even if the United States had such a need, Japan scarcely fills the bill. Equally important, early in my article I emphasize that "The United States cannot solve its domestic problems at the expense of foreign competitors; Americans must solve their own problems." To ascribe the characterizations Elegant does to my article twists its meaning and intent beyond recognition.

Elegant thinks "To target Japan in a non-hostile fashion" (as I advocate) is an oxymoron. Well, it is not an oxymoron to me, but it does require new thinking about hoary images of "threat perception" on the part of American leaders. He suggests "non-hostile targeting is simplistic." On the contrary, it is extraordinarily complicated and carries with it an appreciation for nuances in the changing U.S.-Japan relationship that I emphasized and neither Elegant nor Hudgins reflected in their critiques.

Elegant raises another strawman by attacking "a conscious conspiracy." My article does not contend there is one in Japan and it is not the basis of my proposals. Elegant then erects a truly major strawman by alleging that my proposals for bureaucratic reforms dwell on putting "academic strategists" and the military in key positions of economic power. I recommended neither. In fact, my references to the need for more Asianists in U.S. policymaking circles pointedly cited functional experts in Japanese and other Asian affairs as a key talent pool on which to draw. Most of these people probably would not be academics. As a long term academic, I share Elegant's skepticism of the efficacy of transforming academics into Washington policymakers. Few of us have the background or temperament to be decisionmakers. The people I had in mind would come from the ranks of business, finance, think tanks, the legal profession, the Congress and its staff, and — yes — even journalism. When appropriate, academic specialists in Asian affairs also should be called upon. Incidentally, it is not a "descent to academic infighting" to note the dispute between the so-called " chrysanthemum club" and the "revisionists." This may be more visible in academe, but it exists throughout the non-academic ranks of Japan experts too. Moreover, the revisionist Japan specialists I favor in the article are not "certifiably anti-Japanese" as Elegant states. To be sure, there are racist "Japan bashers" in the United States, but most revisionist experts are well qualified in Japanese affairs and respect Japan's achievements.

Elegant exaggerates this bureaucratic strawman even further by suggesting that I want to put the military in charge and would give the CIA a "vital economic role." In fact, my article suggests limited roles for each — smaller than the uniformed military would probably welcome in a revamped DOD and larger than the CIA now envisions. My article stresses the non-military nature of the challenge the United States faces and the necessity for a far less militarized

response than the United States had grown accustomed to during the cold war. In regard to the CIA's role, I do not see an expanded CIA informational role serving the private sector as at all "vital," but only as a useful supplement. That suggestion was inserted merely as an example of how cold war–vintage federal institutions could usefully be adapted to post–cold war circumstances. This was most definitely not offered in a sinister fashion. In fact, the underlying notion behind my article, which I probably should have made explicit, is that the proposed changes in U.S.-Japanese relations would likely occur while the United States is experiencing substantial conversion to a post–cold war "peace time" economy. I did not make that context explicit because it seems such an obvious given in the present security environment.

I am not sure why Elegant perceived a "theological" tone in my article when it never moves beyond secular affairs, but I will admit to a degree of polemicism. If one is trying to make a point about new policy options, there is no point in putting one's candle under a basket, if I may be permitted a theological metaphor.

Elegant cautions me that I "must know that you do not yell at Japanese if you want to get results." I am, indeed, aware of that. That was why I suggested Americans suck in their breath and tell Japan that perpetuation of the existing relationship is *muzukashii* (saying no by indirection) and that the security treaty "should be allowed to languish and die out, part of America's phased adjustment to a post–cold war world." None of this qualifies as "yelling at Japanese." These approaches are gradual and incremental. In fact, if I yell at anyone in the article it is at my fellow Americans who need to be shaken from their reveries about U.S.-Japanese harmony. Elegant's final argument about the need for the United States to "teach the Japanese" and that "changing Japan will be a long and arduous process" proves my point. While all societies evolve, including Japan's, it is incredibly presumptuous and arrogant of Americans (such as Elegant and many others) to think we have a right to "change Japan" to make it conform to our rules of the game. That is the basic fallacy behind the much lauded U.S. effort at the Structural Impediments Initiative talks. Japan is responding to such pressures in pursuit of its own interests. On balance, however, it is not so much Japan that needs to change, it is the United States.

Over time, Japan will adapt to what it wants, when it wants. That is a matter for the Japanese to decide, not Americans. In the meantime, Americans can best devote their efforts to changing those things in the United States that truly need changing and to reforming U.S. foreign, defense, and economic policies to meet the challenges of the post–cold war era. As long as Japan is the leading example and symbol of that challenge from Asia, and as long as cultural factors promise to inhibit American competitiveness vis-à-vis Asia versus Europe, then Japan warrants being the focal point of an economics-oriented post–cold war set of international and domestic U.S. policies. This was the basic point of my analysis and I stand by it.

To conclude, lest *Orbis* readers think the ideas I expressed in the article were so extreme that they are beyond the mainstream (as the two commentators clearly believe), let me quote a key portion a *New York Times* editorial entitled

"America Isn't Asia's Cop" (August 10, 1992) which says: "Even before the cold war ended, the mission of U.S. forces in the Pacific had shifted from containing Communism to keeping potential Asian rivals at arm's length from each other. There's no good reason for America to bear this regional security burden alone as Asian societies grow increasingly rich and powerful." Part of the process of adjusting to a new economic and security environment in Asia in which the United States, Japan, and a range of other countries play different roles than they did during the cold war, and in which the United States behaves as what Jeane Kirkpatrick correctly described as a "normal country," entails dealing with Japan in a clear-eyed fashion as my article does.

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